

Division of Marketing
Agricultural Development and Diversification (ADD) Program
1996 Grant Final Report

Grant Number 05007

Grant Title Marquette County Farm Produce Cooperative (Phase 1)

Amount Awarded \$20,912.00

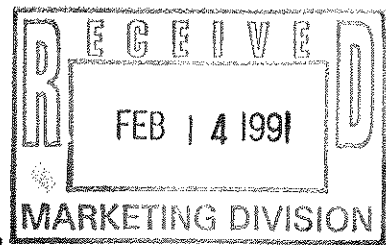
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TO: Erwin (Bud) Sholts
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FROM: Marquette County Farm Produce Co-op
Juanita McDowell, President

RE: Final Report for ADD Grant 5007

The results you asked for are detailed below:

A. DISCUSSION OF THE OBJECTIVES AND SUCCESS IN ACHIEVEMENT:

1. Add non-committed money to 20 farm family budgets to be used for family living through the sale of produce through the Marquette County Produce Cooperative which was organized in 1989: In 1990, payments were made to 28 different growers of produce. Because of youth memberships in the Co-op, the payments were made to 27 different families. This fulfilled our intention to provide extra income to families in Marquette County. It is interesting to note that many of the members were motivated to sell their products at other markets including city farmers markets, wholesale houses and some established their own retail markets.
2. Provide family projects which offer income to specific family members for college or other planned activity: It is known that at least two member families made this a whole family project, and at least one family utilized this project as money for college expenses. This objective was met. Those families who did not have specific projects used additional income for family living expenses.
3. Increase income within the County by produce sales to non-County residents: The Co-op manager got to know repeat customers as they stopped to purchase products. Most of these travelers were from out of our County, usually from out of the State. The Co-op received a letter of commendation from a customer from Merrill, Wisconsin. The Co-op had a coloring contest and entries came from children in Oshkosh, Waukesha, Madison, Wausau, and more. While it is difficult to estimate the percentage of sales to out-of-County customers, it is believed that it was a significant part of the business and therefore accomplished the objective.
4. Hire unemployed, or underemployed, personnel through community programs such as the Job Training Partnership Act (JPTA): The manager that was hired in late July was a person who had been laid-off another job. Part time employees were high school students and Senior Citizens. For part of the season, the Co-op employed high school students who were considered "hard to place" by cooperating with the JPTA programs in the community. From August on, none of the employees of the Co-op held jobs with other employers, so the Co-op was able to meet its objective of putting people to work who were otherwise unemployed.

5. Provide educational opportunities for farmers/and families seeking alternatives to more fully and profitably utilize their total resource base: The project helped people to understand about producing a quality product and to learn more about marketing. They had a learning session with a State resource person, Helen Harrison, on product information.

Various techniques were utilized to aid the manager and the employees of the Co-op learn the rules and special techniques of marketing farm produce to the consumer. Field trips to markets, providing periodicals and books from specialists and demonstrations were provided the employees. When the manager became comfortable with the marketing techniques she was able to acquaint the growers with the standards.

An Open Meeting was held for all members and other community persons. A total of 45 people attended a session taught by Dr. Helen Harrison. Prof. Harrison was able to show and tell of new vegetable varieties that have been developed as well as give the people in attendance guidance in product selection and cultural practices for their specific area.

The Co-op has been an ongoing learning experience for those delegated to provide guidance in operating the Co-op. The members who grew and delivered product for sale also have had continuous learning.

6. Provide educational opportunities for families to develop and demonstrate the viability of new agricultural products and alternative foods for the "Co-op Market": This objective certainly has been met. Most of the producers had grown only standard garden vegetables. Now, all kinds of vegetables have been grown and marketed. Examples of modern or new varieties are leeks, eggplant, okra and different types of squash. It took some extra sales effort to market these product, but usually it was successful.
7. Promote the growth and efficiency of the "Co-op Market" through aggressive and innovative advertising and promotion activities: To accomplish this objective the Co-op erected road signs, flew a helium balloon, conducted "coupon" style advertising, held special sales events with a coloring contest for kids and pumpkin weight guessing contest for adults. The market did grow in total sales. However, some of this growth may have been because of other factors and not only our aggressive advertising such as word of mouth advertising. Because of delayed funding the advertising program did not have an opportunity to reach its potential.

A change in management resulted in increased volume of sales and greater member participation.

8. Encourage new and expanded entrepreneurial ventures to increase farm family income: One grower opened a new road-side stand last year and one more may open in 1991. In addition, the Co-op could not sell all the volume of product that the members could provide. Opportunities to sell increased volumes have been realized to project SHARE, Farm City Link (in cooperation with Milwaukee Archdiocese) and

5 Pic and Save stores in the Milwaukee suburban area.

9. Encourage youth membership in the Co-op so they gain knowledge and experience in production, marketing and business management: This objective was partially completed. There are five youth members in the Co-op, however only two are active producers. Two possible explanations are the high labor requirement for this type of production, and the need to deliver the product to the market.
10. Through management and marketing education, maintain and enhance the profitability of the Co-op Market: Great strides were made this year (compared to last year) in better marketing, education and all around management. In 1989 no profit was made. In 1990, with the addition of the ADD Grant, more advertising and education resulted in more sales. A small profit was made.
11. Acquaint both producers and consumers with current information regarding the healthful benefits of increased consumption of fresh fruits and vegetables: This objective was accomplished. Member producers supplied the Co-op with appetizing and new ways to prepare many different vegetables. These recipes helped increase sales and brought repeat business from satisfied customers who tried new products. In addition, the manager and employees were able to convince potential customers to purchase extra products by emphasizing the health value and freshness of our produce. Producers learned and brought in fresh product.

B. REVIEW OF PLAN OF WORK:

(Work not necessarily accomplished in planned month)

1. In 1990, four new members were recruited, through advertising.
2. A producer meeting was held on January 18, 1990. Helen Harrison, an Extension Horticulture Specialist, discussed vegetable varieties with 42 growers.
3. A production plan was developed and members had the opportunity to sign up for the type and amount of produce they wanted to provide.
4. Members were encouraged to attend the Fruit and Vegetable Conference, and two members were able to go.
5. The two members mentioned above taught the manager and Co-op Board many new ideas.
6. The Co-op Annual business meeting was held on February 15, 1990. New members were elected to the Board.
7. A Manager was hired in April. An Assistant Manager was not hired.
8. JPTA labor was arranged through submission of the required documentation.
9. Pre-opening supplies such as jam, jellies, popcorn, cheese, syrup and sausage - plastic packing material, were purchased.

10. A display cooler was obtained from a grocery that was remodeling.
11. Training was held for the Manager on produce ordering, receiving and display; on cash register operations including daily ring-off requirements; sales and marketing techniques; and cash handling policies covering deposits and payments made from cash.
12. An aggressive marketing plan was developed: "Coupon style" and regular newspaper planned; new signs ordered; planned for helium-filled balloon; planned for a booth at the County Fair; planned coloring contest for kids along with a fall pumpkin promotion.
13. Three sales people were hired and training was held for these people along with the two JPTA people.
14. While the market was open, new marketing ideas were discussed and implemented, new products were grown and sold, and continuous consumer education conducted.

C. OTHER FINDINGS:

It is absolutely necessary to hire a Manager who has sales and marketing experience. The Co-op changed Managers at the end of July and with a highly qualified new Manager, sales improved and operations ran smoother. The necessity for even more advertising, because consumers still are not aware of the Co-op. The type of display (attractive) greatly helped promotion of product.

D. SUCCESS, FAILURES:

One unexpected success has been the potential opening of new retail outlets in Milwaukee. People became aware of the Co-op and wanted the growers to supply fresh produce to needy people through a Farm City Link (organized by Catholic Diocese), Wisconsin Farm Federation and Project Isadore.

The Co-op has not been as successful getting people off of Hwy. 51 as we had hoped. The last few months of operation showed significant growth, thus our spirits were raised. We still need more sales to be "billed" as successful.

Weather caused problems with our May sales.

Producers and managers cooperated well and growers were always willing to help out at the stand.

E. FUTURE OF THE PROJECT:

At the present time, the Co-op plans to open in 1991. We know that it takes 3-5 years to establish a business, and we anticipate better sales each year.